(b) None of the oil companies are to be disinvested during the current financial year.

(c) The profit/loss earned/incurred by the four oil companies mentioned in para (a) of the reply during the year 2001-02 is given below:

| Name of the Oil PSU | Profit/Loss (Rs. Crore) |
|---|---|
| BRPL | (-) 198.61 |
| CPCL | 63.71 |
| KRL | 68.77 |
| IBP | 195.79 |

(d) The amount realised from the disinvestment of the above mentioned oil companies are credited to the Consolidated Fund of India.

**Effect of disinvestment policy on social security schemes**

1825. SHRI C.O. POULOSE: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the disinvestment policy in the Public Sector Units would deprive the weaker sections of society including SCs/STs, of the social securities provided through reservation schemes;

(b) whether Government would consider bringing in new legislation making mandatory the reservation schemes in the divested PSUs;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (d) The Government is committed to protect the interests of all the workers including those belonging to the Scheduled Castes and Scheduled Tribes. In the case of strategic sale the transaction Agreements state that the strategic partner recognises that the Government follows certain employment principles for the benefit of the members of the Scheduled Caste/Scheduled Tribes, physically handicapped persons and other socially disadvantaged sections of the society and that the strategic partner shall use its best efforts to cause the Company to provide adequate job opportunities for such persons. Further, in the event of any reduction in

the strength of the employees of the Company, the strategic partner shall use its best efforts to ensure that the physically handicapped persons, Scheduled Castes/Scheduled Tribes are retrenched at the end. A specimen copy of the typical provisions related to employees' interest incorporated in the Shareholders Agreement are given in the enclosed Statement.

***Statement***

*Typical provisions related to employees' interest incorporated in the Shareholders Agreement are as follows:—*

**Recitals:**

- Subject to the substantives clauses in this regard, the Parties envision that all Employees of the Company on the date hereof will continue in the employment of the Company.
- The SP recognises that the Government in relation to its employment policies follows certain principles for the benefit of the members of the Scheduled Caste/Scheduled Tribes, physically handicapped persons and other socially disadvantages categories of the society. The SP shall use its best efforts to cause the Company to provide adequate job opportunities for such persons. Further, in the event of any reduction in the strength of the employees of the Company, the SP shall use its best efforts to ensure that the physically handicapped persons, Scheduled Castes/Scheduled Tribes are retrenched at the end.

**Clauses**

**Substantive** :

- Notwithstanding anything to the contrary in this Article—,the Government, shall at any time and at its sole discretion, have the option of selling shares from its shareholding in the company, representing not more than—of the share capital of the company existing as of date of this Agreement, to the employees of the Company ("employees sell share"). In the event that the Government exercises its option to sell part of its shares to the employees, the employees shall be issued fresh share certificates for the shares transferred to the employees. The Shareholders agree that, upon the completion of transfer, the

shares transferred to the employees pursuant to this sub-clause shall not be subject to any restrictions in this Agreement, whether by way of a voting arrangement or a right of first refusal.

- The SP covenants with the Government that

(a) notwithstanding anything to the contrary in this Agreement, it shall not retrench any of the Employees of the Company for a period of 1 (one) year from the Closing Date other than any dismissal or termination of Employees of the Company from their employment in accordance with the applicable staff regulations and standing orders of the Company or applicable Laws;

(b) notwithstanding anything to the countrary in this Agreement, but subject to Sub-Clause (a) above, any restructuring of the labour force of the Company shall be implemented in the manner recommended by the Board and in accordance with all applicable Laws.

(c) notwithstanding anything to the contrary in this Agreement, but subject to Sub-Clause (a) above, in the event of any reduction of the strength of the Company's Employees, the SP shall ensure that the Company offers its Employees option to voluntarily retire on terms that are not, in any manner, less favourable than the VRS applicable before disinvestment.

**Sale of FACT**

1826. SHRI V.V. RAGHAVAN: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have invited expression of interests (EOI) for the sale of 51per cent stake in fertilizer and Chemical Travancore Ltd. (FACT);

(b) the minimum qualification fixed for the prospective bidders; and

(c) the total assets of the FACT as on 30th September, 2002?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) Yes, Sir.

(b) The prescribed eligibility/pre-qualification criteria for the bidders interested in acquiring 51% equity in The Fertilisers and Chemicals Travancore Limited (FACT) are detailed below:—

(i) the interested party (ies)/consortium should have a combined net worth in excess of Rs. 200 crores as well as a sales in excess of Rs. 600 crores as per the annual accounts of financial year 2001-02.